

FIG. 1  
PRIOR ART

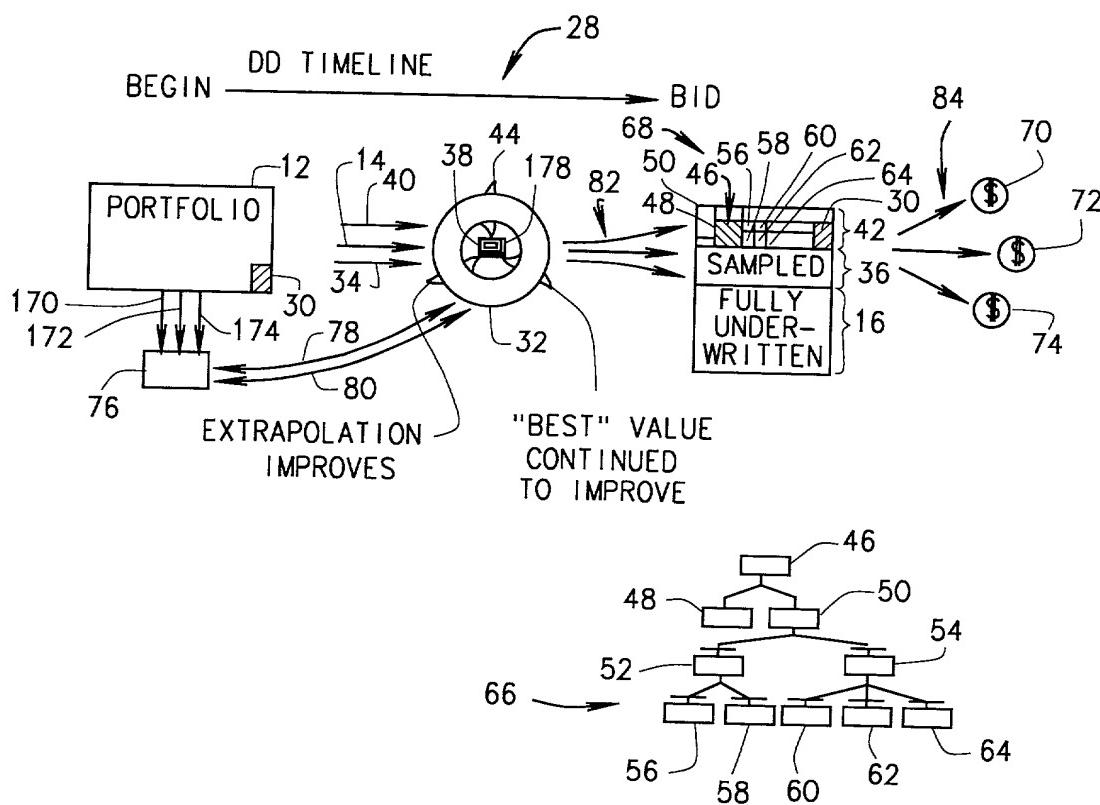


FIG. 2

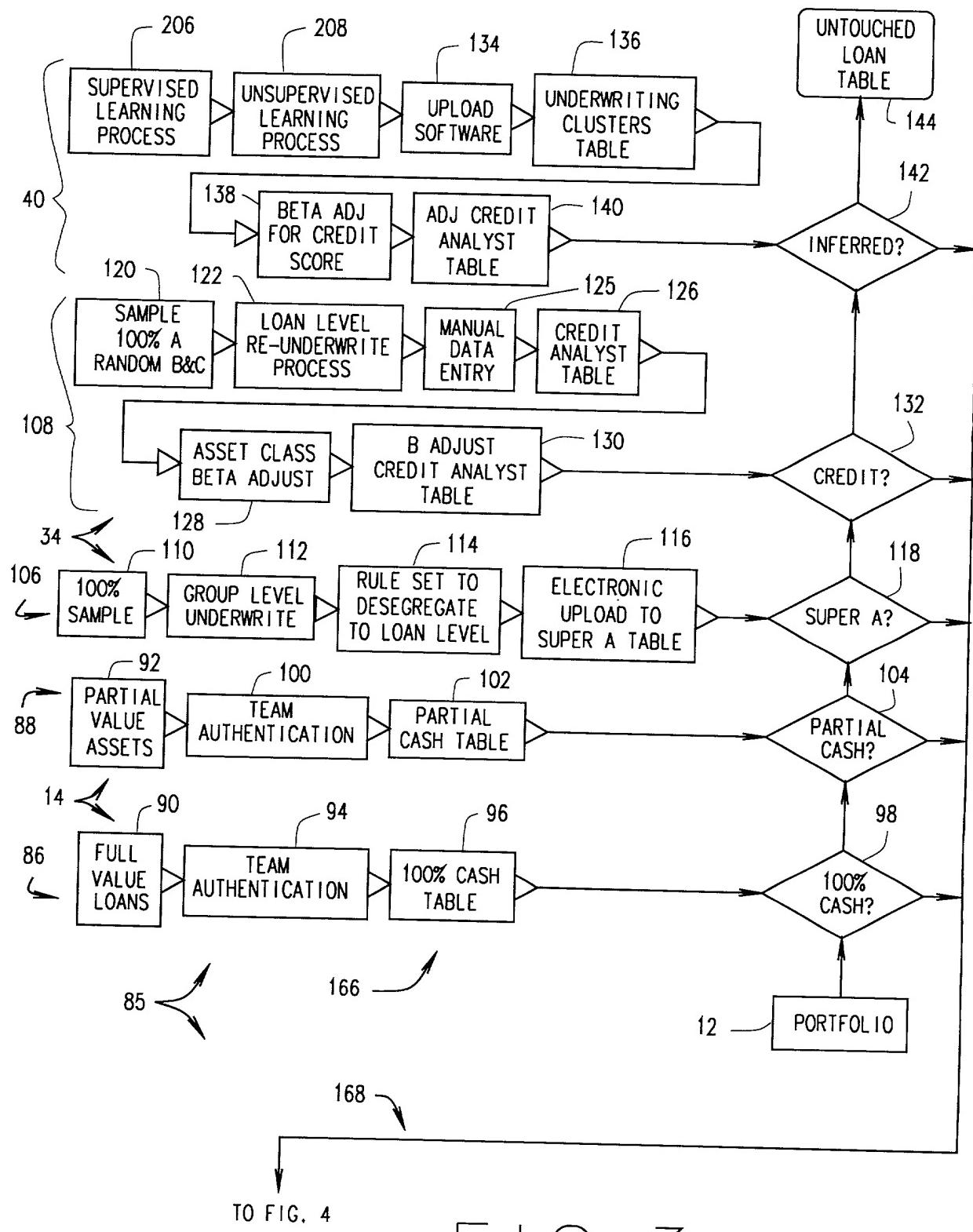


FIG. 3

FROM FIG. 3

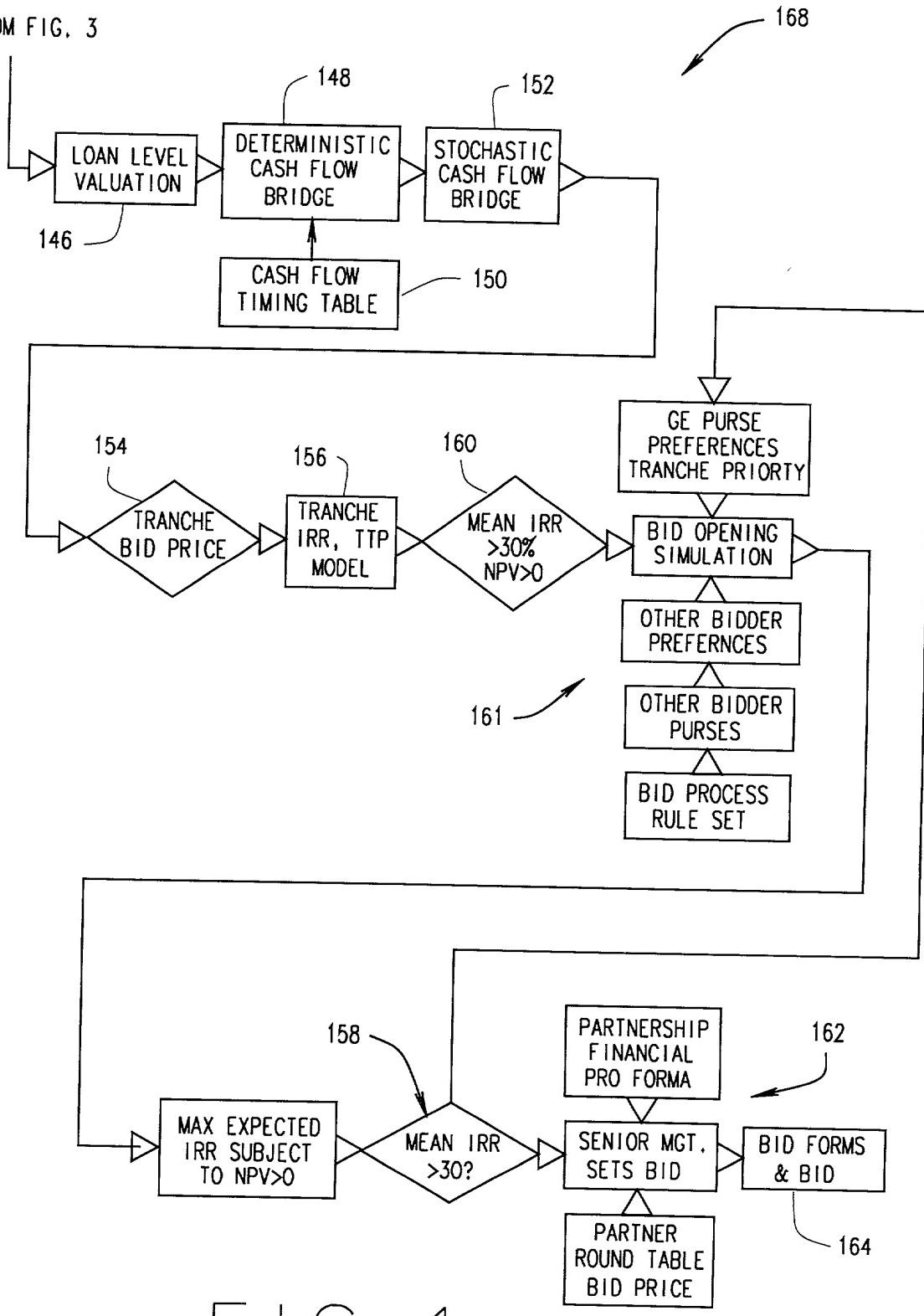


FIG. 4

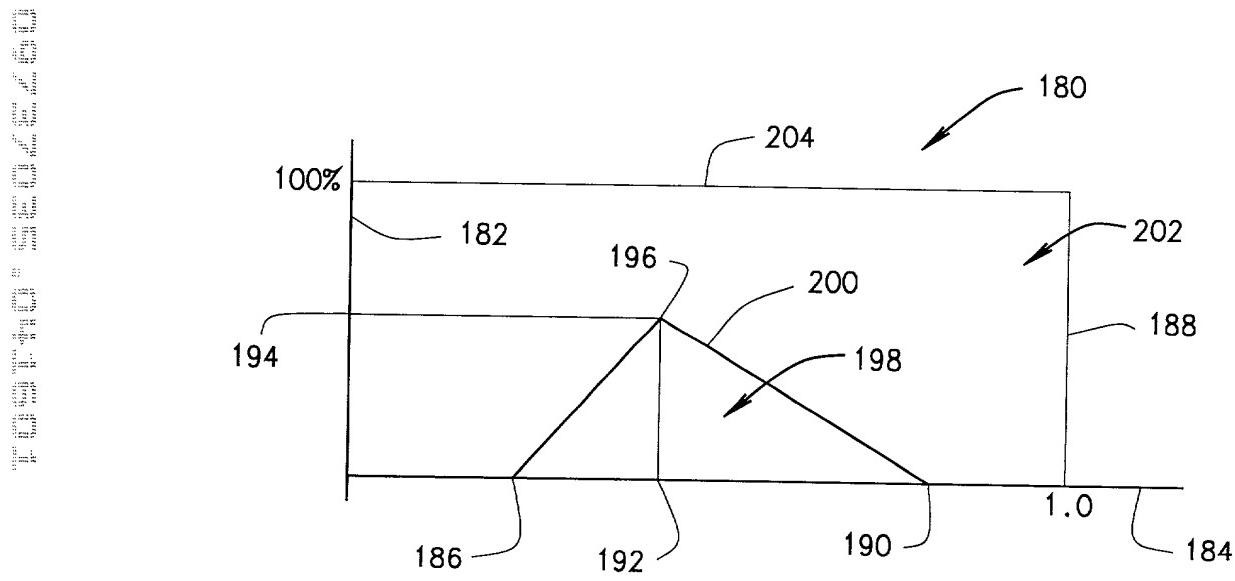


FIG. 5

RECEIVED  
JULY 1976  
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1976 500-100-000

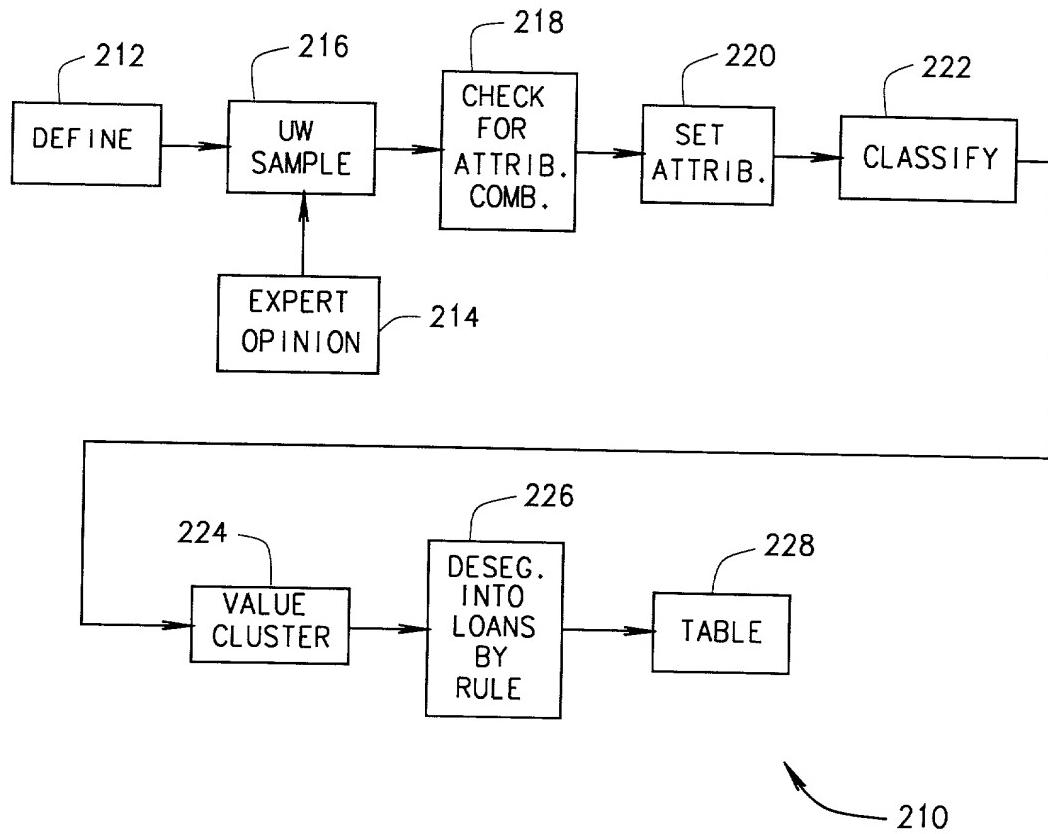


FIG. 6

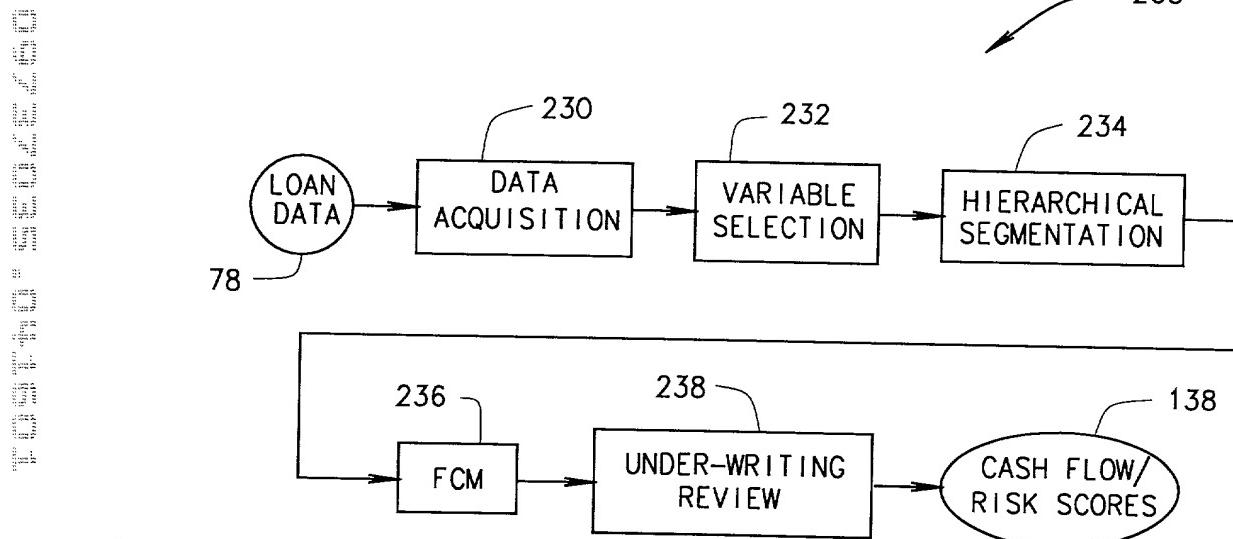


FIG. 7

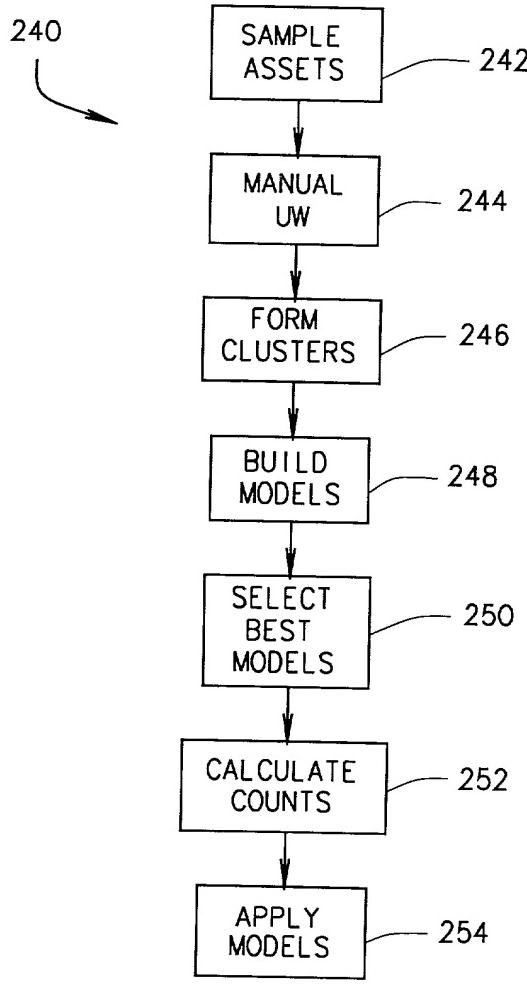


FIG. 8

more and more often than not in due diligence due to the lack of information available.

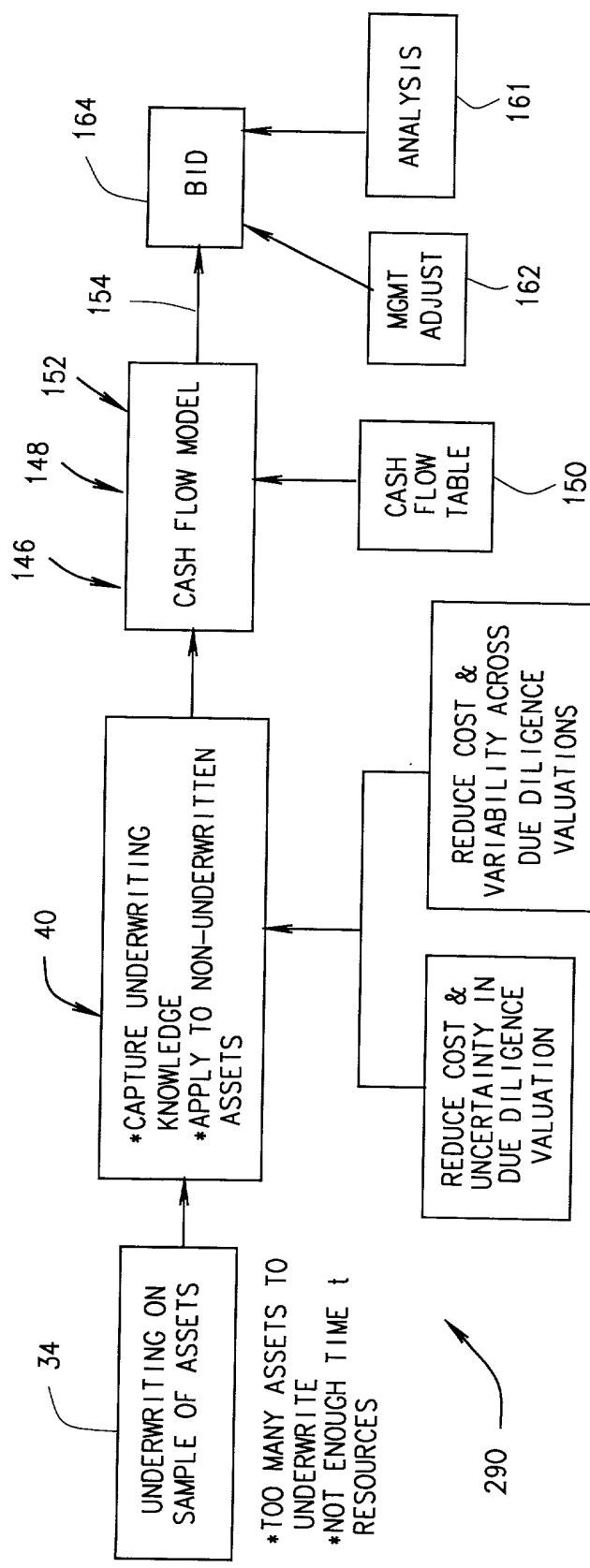


FIG. 9

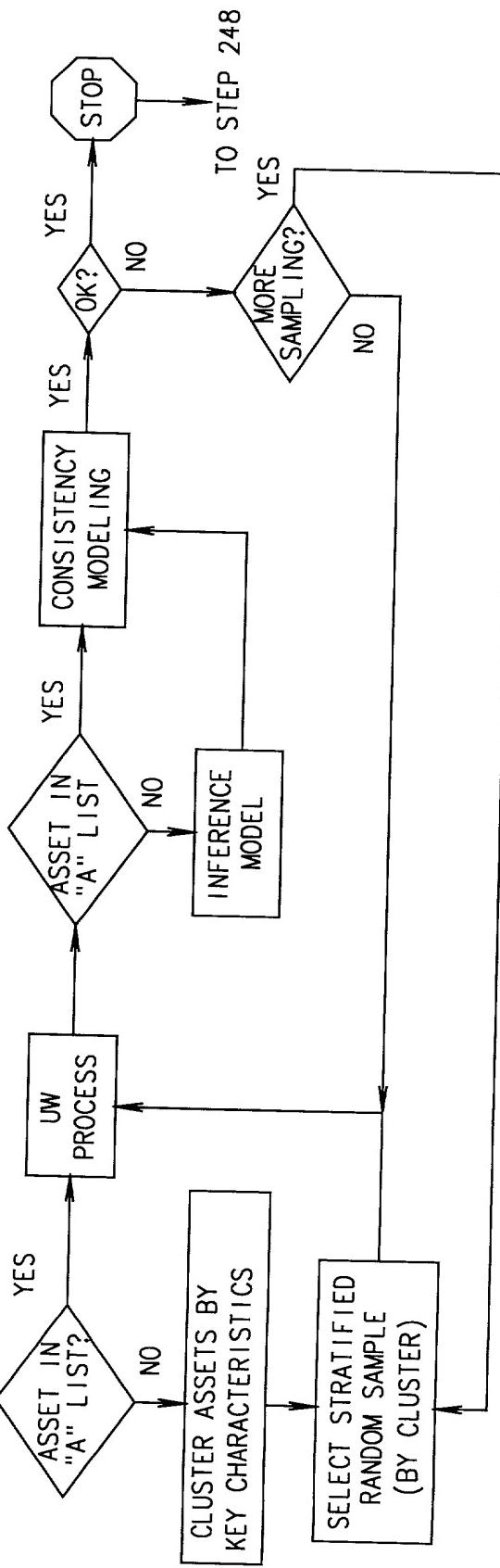
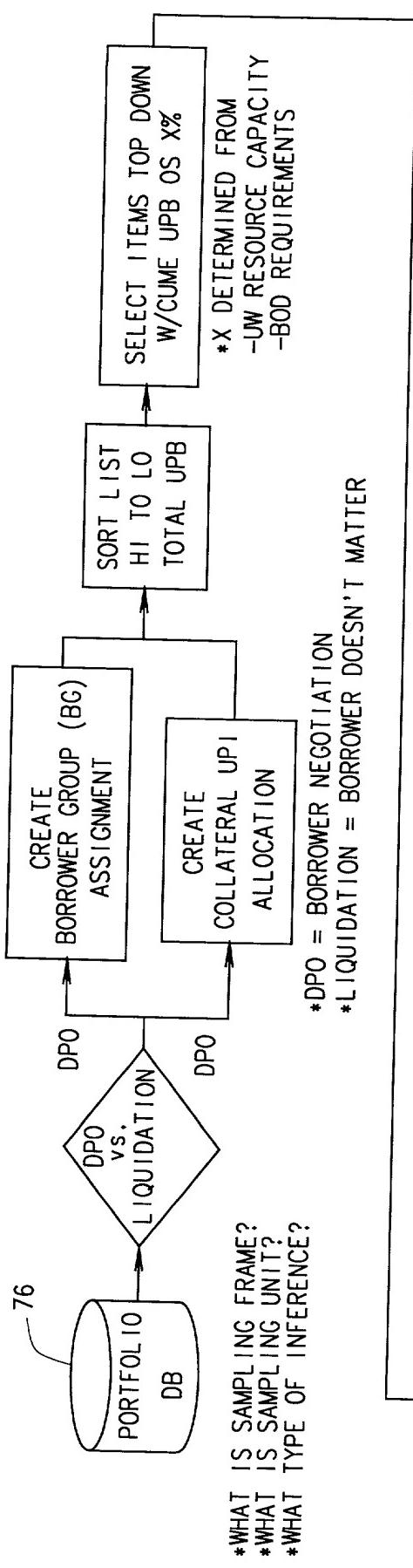


FIG . 10

6 MODELS BUILT:

\* MODELS DIFFER BY WHICH VARIABLES USED  
\* UW ASSETS GET THE MINIMUM ERROR  
PREDICTION (ACTUAL-PREDICTED)

	VARIABLES USED	MODEL 1	MODEL 2	MODEL 3	MODEL 4	MODEL 5	MODEL 6
LAND AREA	X		X	X	X	X	
BLDG AREA	X		X	X	X	X	
OLD APPRAISAL							X
GEN 1 PREDICTED							
CURRENT APPRAISAL							
GEN 1 PREDICTED	X	X	X	X	X	X	
REALIZED PRICE	X	X	X	X	X	X	
PROPERTY TYPE	X	X	X	X	X	X	
LOCATION	X	X	X	X	X	X	

## MODEL "WEIGHTS":

\* EACH CELL IS COUNT OF TIMES THE MODEL PRODUCED BEST PREDICTION FOR UW ASSETS  
\* DETERMINES WEIGHTS FOR AVERAGING PREDICTIONS

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## TOTAL MARKET VALUE RESIDENTIAL

FIG. 11

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VARIABLE	CATEGORY/VALUE RANGE	ENCODING SCHEME
LOAN SECURED	(YES, NO)	YES = 1, ELSE = 0
LOAN TYPE	(REVOLVING, NON-REVOLVING)	REVOLVING = 1 ELSE 0
LAST PAYMENT	(0, 250 MM)	0 IF LAST PAYMENT = 0 ELSE 1
NOTICE OF DEFAULT SENT		PRIOR TO JUN 97 EQUALS 1 ELSE 0
ORIGINAL MATURITY DATE		PRIOR TO JUN 97 EQUALS 1 ELSE 0
SYNDICATED LOAN	(YES, NO)	YES = 1, ELSE = 0
LOAN GUARANTEED	(YES, NO, NAV)	YES = 1, ELSE = 0
COLLECTION SCORE	(0, 1)	
LIEN POSITION	(-1, 0, 1)	1 IF LIEN POSITION = 1 ELSE 0
CURRENT UPAIID BALANCE/ORIGINAL BALANCE	(0, 2.9)	NORMALIZED TO (0, 1)
LAST PAYMENT TO INTEREST/LAST PAYMENT	(0, 1)	

FIG . 12

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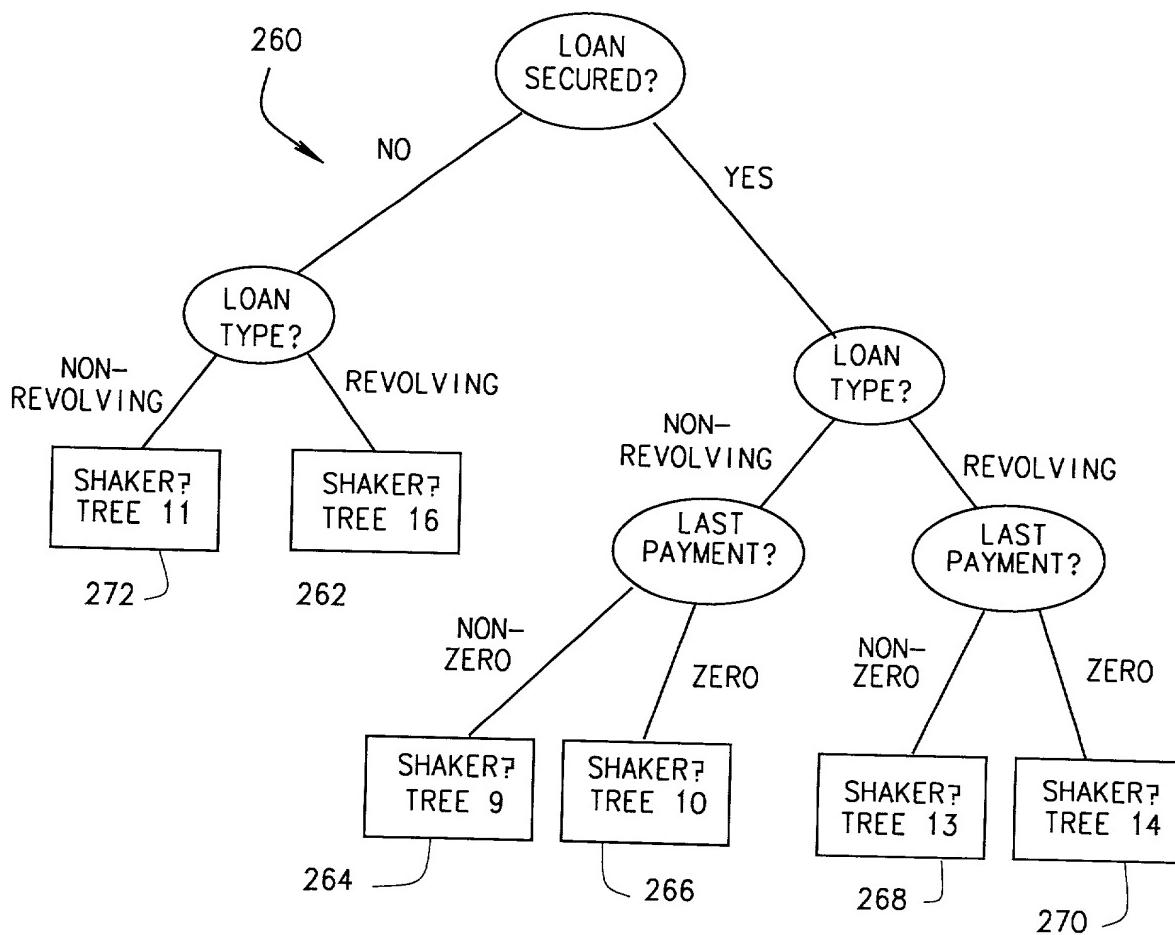


FIG. 13

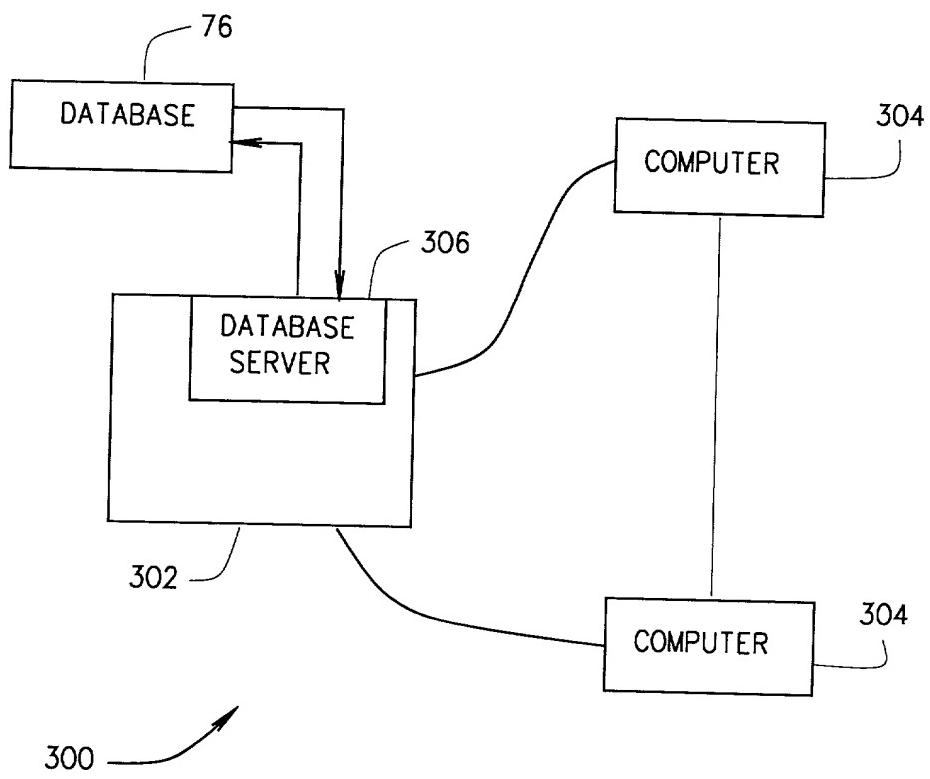


FIG. 14